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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/599,051	06/21/2000	Michael J. Witz	004816.P001	7802

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EXAMINER
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BASHORE, ALAIN L

ART UNIT	PAPER NUMBER
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3624

DATE MAILED: 10/06/2004

Please find below and/or attached an Office communication concerning this application or proceeding.

**Office Action Summary**

Application No.

09/599,051

Applicant(s)

WITZ ET AL. 

Examiner

Alain L. Bashore

Art Unit

3624

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --  
Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

**Status**

- 1) ☒ Responsive to communication(s) filed on 25 June 2004.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

**Disposition of Claims**

- 4) ☒ Claim(s) 1-21 is/are pending in the application.
- 4a) Of the above claim(s) \_\_\_\_\_ is/are withdrawn from consideration.
- 5) ☐ Claim(s) \_\_\_\_\_ is/are allowed.
- 6) ☒ Claim(s) 1-21 is/are rejected.
- 7) ☐ Claim(s) \_\_\_\_\_ is/are objected to.
- 8) ☐ Claim(s) \_\_\_\_\_ are subject to restriction and/or election requirement.

**Application Papers**

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on \_\_\_\_\_ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.  
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).  
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

**Priority under 35 U.S.C. § 119**

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some \* c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
  2. ☐ Certified copies of the priority documents have been received in Application No. \_\_\_\_\_.
  3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

\* See the attached detailed Office action for a list of the certified copies not received.

**Attachment(s)**

- |                                                                                                                        |                                                                                         |
|------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------|
| 1) <input checked="" type="checkbox"/> Notice of References Cited (PTO-892)                                            | 4) <input type="checkbox"/> Interview Summary (PTO-413)<br>Paper No(s)/Mail Date. _____ |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948)                                   | 5) <input type="checkbox"/> Notice of Informal Patent Application (PTO-152)             |
| 3) <input type="checkbox"/> Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08)<br>Paper No(s)/Mail Date _____ | 6) <input type="checkbox"/> Other: _____                                                |

## **DETAILED ACTION**

### ***Response to Arguments***

1. In view of the appeal brief filed on 6-25-04, PROSECUTION IS HEREBY REOPENED. A new grounds of rejection set forth below.

To avoid abandonment of the application, appellant must exercise one of the following two options:

- (a) file a reply under 37 CFR 1.111 (if this Office action is non-final) or a reply under 37 CFR 1.113 (if this Office action is final); or,
- (b) request reinstatement of the appeal.

If reinstatement of the appeal is requested, such request must be accompanied by a supplemental appeal brief, but no new amendments, affidavits (37 CFR 1.130, 1.131 or 1.132) or other evidence are permitted. See 37 CFR 1.193(b)(2).

### ***Claim Rejections - 35 USC § 112***

2. The following is a quotation of the second paragraph of 35 U.S.C. 112:

The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention.

Claim 6 is rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention.

There is claimed in claim 6 "incentivising" which is considered vague and indefinite. What is incentivising to one may not be incentivising to another. There are no meets and bounds for such a limitation.

There is claimed in claim 13 "a first subset" where there is not further claimed a "second subset". This is vague and indefinite.

There is claimed in claim 19 "the second subset" which lacks antecedent basis.

***Claim Rejections - 35 USC § 101***

3. 35 U.S.C. 101 reads as follows:

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

4. Claims 1-21 are rejected under 35 U.S.C. 101 as non-statutory because the method claims as presented do not claim a technological basis. Without a clearly claimed basis, the claims are interpreted as involving no more than a manipulation outside of a technological art and therefore non-statutory under 35 U.S.C. 101.

In contrast, a method claim that includes in the preamble and body of the claim structural / functional interrelationships that are solely by computer (and non-trivial) are considered to have a technological basis and thus within the technological arts [See *Ex parte Bowman*, 61 USPQ2d 1669, 1671 (Bd. Pat. App. & Inter. 2001) – used only for content and reasoning since not precedential].

Claims which are broad enough to read on statutory subject matter and on nonstatutory subject matter are considered nonstatutory [see In re Lintner, 458 F.2d 1013, 1015, 173 USPQ 560, 562 (CCPA 1972)].

The mere conduit (receiving ... over) of a WAN (and from a server node per se) does not in itself define a technological art for the presently claimed invention.

***Claim Rejections - 35 USC § 103***

5. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

6. Claims 1, 3, 7 are rejected under 35 U.S.C. 103(a) as being unpatentable over Wallman (044) in view of O'Shaughnessy.

Wallman discloses receiving over a network an indication of a preference of a user from a population of users that form a virtual community (col 11, lines 45-65). The preferences are aggregated into a database of previously received preferences from the population, the aggregation being a set of preferences (col 15, lines 10-25). Wallman discloses capitalization considerations as a screening (fig 4a). Model portfolios are compared to a population of model portfolios ( col 30, lines 32-46). Investor currency

units may be received to be invested (col 26, lines 50-64). Current holdings are disclosed as being served over the internet (col 13, lines 39-41).

There is associated with each preference a ranking (level of riskiness) of the submitting user and screening of the preferences based on the ranking (col 37, lines 58-67; col 28, lines 1-15). The creation of subsets of preferences is therefore disclosed which "incentivises" the user (i.e. color utilized to Wallman to show risk).

Wallman does not disclose:

a WAN as the network;

O'Shaughnessy discloses use of a WAN as a network (col 4, lines 9-13).

It would have been obvious to one with ordinary skill in the art to include a WAN as the network because O'Shaughnessy teaches the WAN as an alternative to the internet (col 4, lines 9-13).

7. Claim 2, 4-5, 8 are rejected under 35 U.S.C. 103(a) as being unpatentable over Wallman (044) in view of O'Shaughnessy as applied to claims above, and further in view of Wallman (047).

Wallman (044) and O'Shaughnessy do not disclose:

deriving a mutual fund;  
trading volume considerations; and,  
request for information about the mutual fund.

Wallman (047) discloses deriving a mutual fund (col 8, lines 42-50), trading volume considerations (col 6, lines 38-42), and request for information about the mutual fund (col 9, lines 42-48).

It would have been obvious to one with ordinary skill in the art to include deriving a mutual fund because Wallman (047) teaches benefits of a type of financial product that includes active management (col 2, lines 8-38).

It would have been obvious to one with ordinary skill in the art to include trading volume considerations because Wallman (047) teaches that stock price impact from low volume (col 6, lines 38-42).

It would have been obvious to one with ordinary skill in the art to include request for information about the mutual fund because Wallman (047) teaches need to inform the investor (col 9, lines 30-48).

8. Claim 6 is rejected under 35 U.S.C. 103(a) as being unpatentable over Wallman (044) in view of O'Shaughnessy as applied to claims above, and further in view of Melnikoff.

Wallman (044) and O'Shaughnessy do not disclose ranking of the model portfolio versus a population of model portfolios.

Melnikoff discloses ranking of the model portfolio versus a population of model portfolios (col 19, lines 15-30).

It would have been obvious to one with ordinary skill in the art to include ranking of the model portfolio versus a population of model portfolios because Melnikoff teaches the varied nature of mutual funds for comparison purposes to evaluate (col 1, lines 35-45).

9. Claims 9-12 are rejected under 35 U.S.C. 103(a) as being unpatentable over Wallman (044) in view of O'Shaughnessy as applied to claims above, and further in view of Reese.

Wallman (044) and O'Shaughnessy do not disclose:

the financial product as a newsletter; and,  
generating analyst reports.



Reese discloses newsletter as financial product (col 5, lines 37-41) and generating analyst reports (col 4, lines 7-12).

It would have been obvious to one with ordinary skill in the art to include newsletter as a substitute financial product because Reese teaches that newsletters exist as a type of financial product (by providing recommendations; col 5, lines 37-41).

It would have been obvious to one with ordinary skill in the art to include generating analyst reports because Reese teaches recommendations as available to investors (col 4, lines 7-12).

10. Claims 13-21 are rejected under 35 U.S.C. 103(a) as being unpatentable over Wallman (047) in view of Wallmam (044) in further view of O'Shaughnessy.

Wallman (047) discloses receiving instructions for securities from a population of users over a network (col 11, lines 45-65). There is generated a population weighted scale and position changes are identified for a mutual fund (fig 2a and fig 2b).

Wallman (047) does not disclose:

receiving "recommendations" not instructions, a list of securities  
recommended;  
predetermined criteria including capitalization;

industry and sector weightings;  
rebalancing;  
reduction of predetermined discrete number of members; and,  
a WAN as the network .

Wallman (044) discloses receiving recommendations for securities including a list of securities recommended (fig 4b and fig 5), predetermined criteria including capitalization (fig 4a), industry and sector weightings (fig 4a, 4b), rebalancing (col 38, lines 1-15), predetermined number of members (col 40, lines 29-38).

It would have been obvious to one with ordinary skill in the art to include receiving recommendations for securities including a list of securities recommended because Wallman (044) teaches investor being presented with suggestions as desirable (col 30, lines 32-37).

It would have been obvious to one with ordinary skill in the art to include predetermined criteria including capitalization because Wallman (044) teaches user preferences desirable to include capitalization preferences to enable stock selections (col 29, lines 60-65; col 30, lines 9-26).

Art Unit: 3624

It would have been obvious to one with ordinary skill in the art to include industry and sector weightings because Wallman (044) teaches industry and sector weightings to enable stock selections of the user (col 30, lines 32-46).

It would have been obvious to one with ordinary skill in the art to include rebalancing because Wallman (044) teaches changes to portfolio by user over time (col 38, lines 1-15).

It would have been obvious to one with ordinary skill in the art to include predetermined number of members because Wallman (044) teaches desirability to limit membership (col 40, lines 29-38).

O'Shaughnessy discloses use of a WAN as a network and is applied to the art rejection as described in the earlier rejection.

### ***Conclusion***

11. The prior art made of record and not relied upon is considered pertinent to applicant's disclosure.

12. Any inquiry concerning this communication or earlier communications from the examiner should be directed to Alain L. Bashore whose telephone number is 703-308-1884. The examiner can normally be reached on about 7:00 am to 4:30 pm (Monday thru Thursday).

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Vincent Millin can be reached on 703-308-1065. The fax phone number for the organization where this application or proceeding is assigned is 703-872-9306.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free).

  
Alain L. Bashore  
Primary Examiner  
Art Unit 3624